Sir Edward Holden, in one of those masterly surveys of world finance with which he now instructs the shareholders of the London Joint City and Midland Bank, assembled at their annual meeting, gave much of his attention to an attack on the report of Lord Cunliffe's Committee on Currency. This was only to be expected, since the Committee had made recommendations on lines which were largely conservative and did not embody any of the reforms or changes which had been previously advocated by Sir Edward. Being on this occasion chiefly critical, he did not make very clear in his latest speech the precise proposals that he favours. For them we have to go back to his speech of a year ago, as reported in the *Economist* of February 2, 1918, p. 171, where he stated that " if the Bank (of England) had been working on the same principles as other national banks of issue, there would have been little ground for anxiety/' and that these principles are :—

1. One bank of issue and not divided into departments.
2. Notes are created and issued on the security of bills of exchange and on the cash balance, so that a relation is established between the notes issued and the discounts.
3. The notes issued are controlled by a fixed ratio of gold to notes or of the cash balance to notes.
4. This fixed ratio may be lowered by

the pay- "
ment of a tax.
5. The notes should not exceed three times the
gold or the cash balance.